

Construction alliance hopes money will continue to flow to infrastructure spending

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Kingston Mayor Bryan Paterson speaks at the official opening of the John Counter Boulevard railway overpass, a multi-year, nearly \$70-million construction project that first became a city priority more than a decade and a half ago, on Nov. 12. Photo by Elliot Ferguson /The Whig-Standard

A construction alliance is asking municipalities not to cut infrastructure spending.

The **Residential and Civil Construction Alliance of Ontario**, comprised of labour and management groups, last week said that some municipalities are reducing spending and shifting

money from their capital budgets to their operating budgets to make up the deficit caused by the COVID-19 pandemic.

The RCCAO is asking that the municipalities be given money by the federal and provincial governments through a new Safe Restart Agreement (the first was announced in July) so that money targeted for infrastructure projects or upkeep remains that way. Thousands of construction jobs could be at risk otherwise.

“Municipalities which cannot run deficits and must pass balanced budgets will face the prospect of having to delay or cancel state-of-good-repair (SOGR) projects,” RCCAO interim executive director Nadia Todorova wrote in a Jan. 22 letter to Ontario’s minister of finance. “This would have disastrous effects on the construction industry and the provincial economy.”

There have been budget discussions this week among Kingston city councillors and there were questions about the necessity of the one per cent tax increase in the capital budget.

Adding what is known as the “one per cent solution,” which was added annually starting a couple of decades, was a bold step and one that has benefited the city, executive director of the Kingston Construction Association Harry Sullivan said.

“The city has been much more proactive than perhaps other municipalities that are facing similar, I wouldn’t call it infrastructure deficits, but I mean things that really are reaching (the end of) their lifespan and need to stay on top of just to maintain,” Sullivan suggested.

While Sullivan was unfamiliar with RCCAO’s plea — he has been busy with preparations for the KCA annual general meeting that took place Wednesday evening — he said “the funding is there, it’s just slow to get out.”

There’s currently a backlog of projects, Sullivan said; of the 17,000 projects across Canada that have been approved, only 882 have started.

“I think that’s where the angst is coming from in terms of municipalities and local, federal, provincial governments,” he said. “It’s slow, but they’ve been overtaken, obviously, by COVID.”